



7 MAY 1987

U-54/GC

Honorable William J. Casey
Director
Central Intelligence Agency
Washington, D.C. 20505

DCI/ICSS/5-82

Dear Mr. Casey:

We solicit your assistance in a matter that we feel is of intelligence community-wide significance. We need your help to initiate a request for exemption from GAO examination of intelligence community records and unvouchered accounts under the GAO Act of 1980, Public Law 96-226, 31 U.S.C. 54(b)(1) and 67(f)(1).

CIA activities are exempt from GAO examination by specific statutory exemption (50 U.S.C. 405(j)). Other similar activities should be exempt from GAO review. Our staffs agree that a Presidential directive exempting these activities is necessary. While each agency could apply for its own exemption from the GAO examination in accordance with 31 U.S.C. 54(d)(1) or 67(f)(3)(B), it is felt that a better approach would be to have the IC staff coordinate all foreign intelligence and counterintelligence activities which should be exempt and which should be reviewable by the Permanent Select Committee of the House of Representatives and the Select Committee on Intelligence of the Senate.

Informal discussions have taken place between our staffs. A list of the persons involved in the discussions and their phone numbers is attached. Apparently, it has been felt that no action should be initiated by the IC staff but that initiation must come from the departments. Accordingly, I request your assistance in coordinating an intelligence community effort to assemble a proper list of intelligence activities that should be exempt from GAO audit and which are reportable to the appropriate Select Committees.

Sincerely,

JAMES A. WILLIAMS
Lieutenant General, U. S. Army
Director

1 Enclosure a/s

QIA review completed

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